

General Assembly

Substitute Bill No. 6502

January Session, 2009

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AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 31-57f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2009*):
- 3 (a) As used in this section: (1) "Required employer" means any provider of food, building, property or equipment services or 4 5 maintenance listed in this subdivision whose rate of reimbursement or 6 compensation is determined by contract or agreement with the state or 7 any state agent: (A) Building, property or equipment service 8 companies; (B) management companies providing property 9 management services; and (C) companies providing food preparation 10 or service, or both; (2) "state agent" means any state official, state 11 employee or other person authorized to enter into a contract or 12 agreement on behalf of the state; (3) "person" means one or more 13 individuals, partnerships, associations, corporations, business trusts, 14 legal representatives or organized groups of persons; [and] (4) 15 "building, property or equipment service" means any janitorial, 16 cleaning, maintenance or related service; (5) "prevailing rate of wages" 17 means the hourly wages paid for work performed within the city of 18 Hartford under the collective bargaining agreement covering the 19 largest number of hourly nonsupervisory employees employed within

20 the county of Hartford in each classification established by the Labor 21 Commissioner under subsection (e) of this section, provided the collective bargaining agreement covers no less than five hundred 22 23 employees in the classification; (6) "prevailing rate of benefits" means 24 the total cost to the employer on an hourly basis for work performed 25 within the city of Hartford, under a collective bargaining agreement 26 that establishes the prevailing rate of wages, of providing health, 27 welfare and retirement benefits, including, but not limited to, (A) 28 medical, surgical or hospital care benefits; (B) disability or death 29 benefits; (C) benefits in the event of unemployment; (D) pension 30 benefits; (E) vacation and personal leave; (F) training benefits; and (G) legal services benefits, and may include payment made directly to 31 32 employees, payments to purchase insurance, and the amount of 33 payment or contributions paid or payable by the employer on behalf of 34 each employee to any employee benefits fund; (7) "employee benefit 35 fund" means any trust fund established by one or more employers and one or more labor organizations or one or more other third parties not 36 affiliated with such employers to provide, whether through the 37 38 purchase of insurance or annuity contracts or otherwise, benefits 39 under an employee health, welfare or retirement plan, but does not 40 include any such fund where the trustee or trustees are subject to supervision by the Banking Commissioner of this state or of any other 41 42 state, or the Comptroller of the Currency of the United States or the 43 Board of Governors of the Federal Reserve System; and (8) "benefits 44 under an employee health, welfare or retirement plan" means one or more benefits or services under any plan established or maintained for 45 employees or their families or dependents, or for both, including, but 46 47 not limited to, medical, surgical or hospital care benefits, benefits in 48 the event of sickness, accident, disability or death, benefits in the event of unemployment, retirement benefits, vacation benefits, legal service 49 50 benefits or training benefits.

(b) On and after July 1, 2000, the wages paid on an hourly basis to any employee of a required employer in the provision of food, building, property or equipment services provided to the state

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- pursuant to a contract or agreement with the state or any state agent, shall be at a rate not less than the standard rate determined by the Labor Commissioner pursuant to subsection (g) of this section. In addition, each hourly nonsupervisory employee shall be granted time off with pay for any legal holiday. If a legal holiday falls on a Saturday or Sunday, employees shall be granted equivalent time off with pay on the Friday immediately preceding such Saturday or Sunday, or given another day off in lieu thereof.
 - (c) Any required employer or agent of such employer that violates subsection (b) of this section shall pay a civil penalty in an amount not less than two thousand five hundred dollars but not more than five thousand dollars for each offense. The contracting department of the state that has imposed such civil penalty on the required employer or agent of such employer shall, within two days after taking such action, notify the Labor Commissioner, in writing, of the name of the employer or agent involved, the violations involved and steps taken to collect the fine.
 - (d) The Labor Commissioner may make complaint to the proper prosecuting authorities for the violation of any provision of subsection (b) of this section.
 - (e) For the purpose of predetermining the standard rate of covered wages on an hourly basis, the Labor Commissioner shall establish classifications for all hourly nonsupervisory employees based on the applicable occupation codes and titles set forth in the federal Register of Wage Determinations under the Service Contract Act of 1965, 41 USC 351, et seq., provided the Labor Commissioner shall classify all grounds maintenance laborers and housekeeping aides as janitors. The Labor Commissioner shall then determine the standard rate of wages for each classification of hourly nonsupervisory employees which shall be [equivalent to] (1) the prevailing rate of wages paid to employees in each classification, or if there is no such prevailing rate of wages, the minimum hourly wages set forth in the federal Register of Wage Determinations under the Service Contract Act, plus (2) the prevailing

rate of benefits paid to employees in each classification, or if there is no such prevailing rate of benefits, a thirty per cent surcharge on the amount determined in subdivision (1) of this subsection to cover the cost of any health, welfare and retirement [plans] benefits or, if no such [plan is in effect between] benefits are provided to the employees, [and the employer, an amount equal to thirty per cent of the [hourly wage] amount determined in subdivision (1) of this subsection, which shall be paid directly to the employees. The standard rate of wages for any employee, entitled to receive such rate on or before July 1, 2009, shall not be less than the minimum hourly wage for the classification set forth in the federal Register Of Wage Determinations under the Service Contract Act plus the prevailing rate of benefits for such classification for as long as that employee continues to work for a required employer.

- (f) Required employers with employees covered by collective bargaining agreements which call for wages and benefits that are reasonably related to the standard rate of wages shall not be economically disadvantaged in the bidding process, provided the collective bargaining agreement was arrived at through arms-length negotiations.
- (g) The Labor Commissioner shall, in accordance with subsection (e) of this section, determine the standard rate of wages for each classification on an hourly basis where any covered services are to be provided, and the state agent empowered to let such contract shall contact the Labor Commissioner at least ten days prior to the date such contract will be advertised for bid, to ascertain the standard rate of wages and shall include the standard rate of wages on an hourly basis for all classifications of employment in the proposal for the contract. The standard rate of wages on an hourly basis shall, at all times, be considered the minimum rate for the classification for which it was established. Where a required employer is awarded a contract to perform services that are substantially the same as services that have been rendered under a predecessor contract, such required employer shall retain all employees who had been performing services under

121 such predecessor contract for at least ninety days following or after the date of first performance of services under the successor service 122 123 contract. During such ninety-day period, the successor contract shall not discharge without just cause an employee retained pursuant to this 124 125 subsection. If the performance of an employee retained pursuant to 126 this subsection or section 4a-82 is satisfactory during the ninety-day 127 period, the successor contractor shall offer the employee continued 128 employment for the duration of the successor contract. The provisions 129 of this subsection shall not apply to any contract covered by subsections (o) and (p) of section 4a-82. 130

(h) Each required employer subject to the provisions of this section shall (1) keep, maintain and preserve such records relating to the wages and hours worked by each employee and a schedule of the occupation or work classification at which each person is employed during each work day and week in such manner and form as the Labor Commissioner establishes to assure the proper payments due to such employees, and (2) annually or upon written request, submit to the contracting state agent a certified payroll which shall consist of a complete copy of such records accompanied by a statement signed by the employer which indicates that (A) such records are correct, (B) the rate of wages paid to each employee is not less than the standard rate of wages required by this section, (C) such employer has complied with the provisions of this section, and (D) such employer is aware that filing a certified payroll which it knows to be false is a class D felony for which such employer may be fined not more than five thousand dollars or imprisoned not more than five years, or both. Notwithstanding the provisions of section 1-210, the certified payroll shall be considered a public record and every person shall have the right to inspect and copy such record in accordance with the provisions of section 1-212. The provisions of subsections (a) and (b) of section 31-59, section 31-66 and section 31-69 which are not inconsistent with the provisions of this section shall apply. Any person who files a false certified payroll in violation of subdivision (2) of this subsection shall be guilty of a class D felony for which such person

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- may be fined not more than five thousand dollars or imprisoned not more than five years, or both.
 - (i) This section shall not apply to contracts, agreements or grants which do not exceed forty-nine thousand nine hundred ninety-nine dollars per annum.
- (j) On receipt of a complaint for nonpayment of the standard rate of wages, the Labor Commissioner, the Director of Wage and Workplace Standards and wage enforcement agents of the Labor Department shall have power to enter, during usual business hours, the place of business or employment of any employer to determine compliance with this section, and for such purpose may examine payroll and other records and interview employees, call hearings, administer oaths, take testimony under oath and take depositions in the manner provided by sections 52-148a to 52-148e, inclusive. The commissioner or the director, for such purpose, may issue subpoenas for the attendance of witnesses and the production of books and records. Any required employer, an officer or agent of such employer, or the officer or agent of any corporation, firm or partnership who wilfully fails to furnish time and wage records as required by law to the commissioner, the director or any wage enforcement agent upon request or who refuses to admit the commissioner, the director or such agent to a place of employment or who hinders or delays the commissioner, the director or such agent in the performance of any duties in the enforcement of this section shall be fined not less than twenty-five dollars nor more than one hundred dollars, and each day of such failure to furnish time and wage records to the commissioner, the director or such agent shall constitute a separate offense, and each day of refusal of admittance, of hindering or of delaying the commissioner, the director or such agent shall constitute a separate offense.
- (k) Notwithstanding subsection (i) of this section, any employer that pays the state for a franchise to provide food preparation or service, or both, for the state shall be required to certify that the wages and benefits paid to its employees are not less than the standard rate

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- 188 established pursuant to this section.
- (l) The Labor Commissioner may adopt regulations, in accordance with chapter 54, to carry out the provisions of this section.
- 191 (m) The provisions of this section and any regulation adopted 192 pursuant to subsection (l) of this section shall not apply to any contract 193 or agreement entered into before July 1, 2000.

This act sha sections:	ll take effect as foll	ows and shall amend the following
Section 1	July 1, 2009	31-57f

LAB Joint Favorable Subst.